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Case No.: A-834-807

Total Number of Pages: 7

Investigation

IA: Group III, Office IX

PUBLIC DOCUMENT

December 10, 2001

The Honorable Donald L. Evans
Secretary of Commerce
U.S. Department of Commerce
International Trade Administration
Central Records Unit, Room 1870
14th and Constitution Avenue, N.W.
Washington, D.C. 20230

Attn: Albert Hsu and George Smolik

**Re: Comments on the Requests for Market Economy Status for the
Republic of Kazakhstan – Antidumping Duty Investigation of
Silicomanganese From Kazakhstan (A-834-807)**

Dear Secretary Evans:

The following comments are submitted on behalf of Ust-Kamenogorsk Titanium and Magnesium Plant (“UKTMP”), Ust-Kamenogorsk, Kazakhstan, in response to the notice published by the Department of Commerce (“Commerce”) in the Federal Register for November 9, 2001, inviting comments on Kazakhstan’s non-market economy (“NME”) status.

For the reasons recited below, and based on its own experience, UKTMP supports the request by the Government of Kazakhstan for revocation of Kazakhstan’s NME status under section 771(18)(C)(i) of the Tariff Act of 1930 (“the Act”), as amended, 19 U.S.C. 1677(18)(C)(i).

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UKTMP's manufacturing facilities were constructed in the 1960s and UTKMP was privatized early in Kazakhstan's privatization program. A majority of UTKMP's shares have been held for several years by Specialty Metals Company, S.A. of Brussels, Belgium. The preponderance of the remaining shares are held by various individuals and investment groups.

UKTMP is principally engaged in the manufacture of titanium sponge. When initially privatized, UKTMP was dependant on foreign sources of titanium slag (a processed titanium ore) as its basic raw material. In recent years, UKTMP has built a titanium ore slagging plant at its premises at Ust-Kamenogorsk. It currently is in the process of developing a titanium ore deposit in Kazakhstan for use as an ore supply.

The following comments are addressed to the factors set out in section 771(18)(B) of the Act.

(i) UKTMP exports virtually all the titanium sponge it manufactures, and sells the sponge in dollar-denominated transactions. Therefore, it has little experience with the convertibility of the tenge. However, such experience as it has had indicates that the currency is fully convertible.

(ii) Wage rates for UKTMP's workers are determined in free bargaining between UKTMP and the independent union representing UKTMP's employees.

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(iii) UKTMP's investors have experienced a high level of cooperation with the Government of Kazakhstan. Its investors have experienced no breach of any agreement with the Government of Kazakhstan and no difficulty in repatriating profits. UKTMP conducts its business free from government interference.

(iv) As previously noted, UKTMP has been privatized. Most other local industries and firms with which UKTMP deals also are privately held.

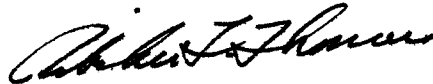
(v) The Government of Kazakhstan exercises no control over UKTMP's prices or output decisions. The Government also does not control the price of the principal production inputs, for example, electricity, that UKTMP acquires locally. To the best of UKTMP's knowledge, the other companies in Kazakhstan with which UKTMP deals are not directed by the Government of Kazakhstan as to their production volumes or product prices.

(vi) In sum, UKTMP conducts its business like any private company in a market economy country, free from government controls over the volume or price of its inputs, its output, or its purchase or selling prices.

In our view, consideration of these factors warrants revocation of Kazakhstan's non-market economy status.

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Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Ritchie T. Thomas".

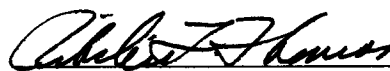
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Plant (UKTMP)

SILICOMANGANESE FROM KAZAKHSTAN (A-834-807)

CERTIFICATION

I, Ritchie T. Thomas, of Squire, Sanders & Dempsey, counsel to Ust-Kamenogorsk Titanium and Magnesium Plant (UKTMP), certify that (1) I have read the attached submission, and (2) based on the information made available to me by UKTMP, I have no reason to believe that this submission contains any material misrepresentation or omission of fact.

A handwritten signature in cursive script, appearing to read "Ritchie T. Thomas", written over a horizontal line.

Ritchie T. Thomas

SILICOMANGANESE FROM KAZAKHSTAN (A-834-807)

UKTMP CERTIFICATION

UKTMP's certification has not been received in time for this filing, and will be submitted separately as soon as possible.

SILICOMANGANESE FROM KAZAKHSTAN (A-834-807)

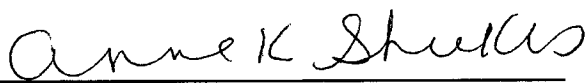
PUBLIC CERTIFICATE OF SERVICE

I hereby certify that the attached public submission was served by first-class mail to the following parties this 10th day of December, 2001:

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